

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 826*

Short Title: Coverage for Treatment of Autism Disorders. (Public)

Sponsors: Representatives Parfitt, Glazier, Kever, and Murry (Primary Sponsors).
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Health and Human Services, if favorable, Insurance.

April 7, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE HEALTH BENEFIT PLANS, INCLUDING THE STATE HEALTH
3 PLAN FOR TEACHERS AND STATE EMPLOYEES, TO PROVIDE COVERAGE FOR
4 TREATMENT OF AUTISM SPECTRUM DISORDERS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 3 of Chapter 58 of the General Statutes is amended by adding
7 a new section to read:

8 "**§ 58-3-192. Coverage for autism spectrum disorders.**

9 (a) Definitions. – As used in this section:

10 (1) Autism services provider. – Any person, entity, or group that provides
11 treatment of autism spectrum disorders.

12 (2) Autism spectrum disorders. – Any of the pervasive developmental disorders
13 as defined in the Diagnostic and Statistical Manual of Mental Disorders
14 (DSM-IV), or subsequent edition published by the American Psychiatric
15 Association, or the International Statistical Classification of Diseases and
16 Related Health Problems (ICD-10), or subsequent edition published by the
17 World Health Organization.

18 (3) Behavioral care. – Any practices for the purpose of any or all of the
19 following:

20 a. Increasing appropriate or adaptive behaviors.

21 b. Decreasing maladaptive behaviors.

22 c. Developing, maintaining, or restoring, to the maximum extent
23 practicable, the functioning of an individual, including the systematic
24 management of environmental factors or the consequences of
25 behaviors.

26 (4) Diagnosis of autism spectrum disorder. – Any medically necessary
27 assessment, evaluations, or tests to diagnose whether an individual has an
28 autism spectrum disorder.

29 (5) Health plan. – As defined in G.S. 58-3-167. For purposes of this section,
30 "health benefit plan" includes the State Health Plan for Teachers and State
31 Employees.

32 (6) Licensed or certified. – Licensed or certified by the State of North Carolina
33 for services provided in North Carolina or by the state in which the care is
34 provided.



- 1 (7) Medically necessary. – Any care, treatment, intervention, service, or item
2 that does, or is reasonably expected to do any of the following:
3 a. Prevent the onset or worsening of an illness, condition, injury, or
4 disability.
5 b. Reduce or ameliorate the physical, mental, behavioral, or
6 developmental effects of an illness, condition, injury, or disability.
7 c. Assist to achieve or maintain functional capacity in performing daily
8 activities, taking into account both the functional capacity of the
9 individual and the functional capacities that are appropriate for
10 individuals the same age.
- 11 (8) Pharmacy care. – Medications prescribed by a licensed physician and any
12 health-related services deemed medically necessary to determine the need
13 for or effectiveness of the medications.
- 14 (9) Psychiatric care. – Direct or consultative services provided by a licensed
15 psychiatrist.
- 16 (10) Psychological care. – Direct or consultative services provided by a licensed
17 psychologist or licensed psychological associate.
- 18 (11) Therapeutic care. – Services provided by a licensed or certified speech
19 therapist, occupational therapist, or physical therapist.
- 20 (12) Treatment for autism spectrum disorders. – Any of the following care
21 prescribed or ordered by a licensed physician or a licensed psychologist for
22 an individual diagnosed with an autism spectrum disorder:
23 a. Behavioral care, when provided or supervised by a licensed or
24 certified health care professional as defined in G.S. 58-3-192(6)
25 within the scope of practice as defined by law.
26 b. Pharmacy care.
27 c. Psychiatric care.
28 d. Psychological care.
29 e. Therapeutic care.
- 30 (b) Every health benefit plan, including the State Health Plan for Teachers and State
31 Employees, shall provide coverage for the diagnosis and treatment of autism spectrum
32 disorders in individuals. No insurer shall terminate coverage or refuse to deliver, execute, issue,
33 amend, adjust, or renew coverage to an individual solely because the individual is diagnosed
34 with one of the autism spectrum disorders or has received treatment for autism spectrum
35 disorders.
- 36 (c) Coverage under this section shall not be subject to any limits on the number of visits
37 an individual may make to an autism services provider.
- 38 (d) Coverage under this section shall not be denied on the basis that the treatments are
39 habilitative or educational in nature.
- 40 (e) Coverage under this section may be subject to co-payment, deductible, and
41 coinsurance provisions of a health benefit plan that are not less favorable than the co-payment,
42 deductible, and coinsurance provisions that apply to other medical services covered by the
43 health benefit plan.
- 44 (f) This section shall not be construed as limiting benefits that are otherwise available
45 to an individual under a health benefit plan.
- 46 (g) Coverage for behavioral therapy under this section will be subject to a maximum
47 benefit of seventy-five thousand dollars (\$75,000) per year. Payments made by an insurer on
48 behalf of a covered individual for any care, treatment, intervention, service, or item unrelated to
49 autism spectrum disorders shall not be applied toward any maximum benefit established under
50 this section.

1 (h) Except for inpatient services, if an individual is receiving treatment for autism
2 spectrum disorders, a health benefit plan shall have the right to request a review of that
3 treatment not more than once every 12 months unless the insurer and the individual's licensed
4 medical doctor or licensed psychologist agree that a more frequent review is necessary. The
5 cost of obtaining any review shall be borne by the insurer."

6 **SECTION 2.** G.S. 135-45 reads as rewritten:

7 "**§ 135-45. Undertaking.**

8 (a) The State of North Carolina undertakes to make available a State Health Plan
9 (hereinafter called the "Plan") exclusively for the benefit of eligible employees, eligible retired
10 employees, and certain of their eligible dependents, which will pay benefits in accordance with
11 the terms of this Article. The Plan shall have all the powers and privileges of a corporation and
12 shall be known as the State Health Plan for Teachers and State Employees. The Executive
13 Administrator and Board of Trustees shall carry out their duties and responsibilities as
14 fiduciaries for the Plan. The Plan shall administer one or more group health plans that are
15 comprehensive in coverage and shall provide eligible employees and retired employees
16 coverage on a noncontributory basis under at least one of the group plans with benefits equal to
17 that specified in subsection (g) of this section. The Executive Administrator and Board of
18 Trustees may operate group plans as a preferred provider option, or health maintenance,
19 point-of-service, or other organizational arrangement and may offer the plans to employees and
20 retirees on a noncontributory or partially contributory basis. Plans offered on a partially
21 contributory basis must provide benefits that are additional to that specified in subsection (g) of
22 this section and may not be offered unless approved in an act of the General Assembly.

23 ...

24 (g) The Executive Administrator and Board of Trustees shall not change the Plan's
25 comprehensive health benefit coverage, co-payments, deductibles, out-of-pocket expenditures,
26 and lifetime maximums in effect on ~~July 1, 2009~~, January 1, 2012, that would result in a net
27 increased cost to the Plan or in a reduction in benefits to Plan members unless and until the
28 proposed changes are directed to be made in an act of the General Assembly.

29 (h) The Plan shall provide coverage under its Basic and Standard PPO options for the
30 diagnosis and treatment of lymphedema. The coverage shall be the equivalent of coverage
31 under G.S. 58-3-280.

32 (i) The Plan shall provide coverage under its Basic and Standard PPO options for the
33 diagnosis and treatment of autism spectrum disorder. The coverage shall be the equivalent of
34 coverage under G.S. 58-3-192."

35 **SECTION 3.** This act becomes effective January 1, 2012, and applies to all health
36 benefit plans that are delivered, issued for delivery, or renewed within this State, or outside this
37 State if insuring North Carolina residents, on and after that date.